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FISCAL IMPACT REPORT

ORIGINAL DATE 2/17/07
 LAST UPDATED 2/26/07 HB 1101

SPONSOR Varela

SHORT TITLE CLOSING A CENTRAL ACCOUNTING FUND SB

ANALYST Propst

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Non-Rec	Fund Affected
FY07	FY08	FY09		
	\$161.4		Non-Recurring	General Fund

(Parenthesis () Indicate Revenue Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Department of Finance and Administration (DFA)

SUMMARY

Synopsis of Bill

House Bill 1101 proposes to close and revert the unexpended and unencumbered balance in Central Accounting Fund 718 to the General Fund in FY08.

SIGNIFICANT ISSUES

DFA reports that HB 1101 proposes to revert the unexpended or unencumbered balance in a payroll clearing account with excess payroll collections from 1989 made by the Department of Finance and Administration Financial Control Division from unidentified state agencies. HB 1101 proposes that the reversion occur by October 1, 2007 which is in FY08.

The Department of Finance and Administration Office of the Secretary and the Financial Control Division estimate the proposed expected reversion to the General Fund in FY08 at \$161.4.

TECHNICAL ISSUES

DFA notes that HB 1101 does not contain an effective date section.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

The unexpended or unencumbered balance in this dormant fund would not revert to the General Fund.

WEP/nt